

21 March, 2001

RAJYA SABHA

through diplomatic channels. The matter was also taken up with the Chinese during the 8th meeting of the India-China Expert Group of Diplomatic and Military Officials held in Beijing on 13th-14th November, 2000.

CBI enquiry into Defence Deal

2717. SHRI VEDPRAKASH P. GOYAL: Will the Minister of DEFENCE be pleased to state:

- (a) whether it is a fact that 380 odd defence deals are under CBI probe/enquiring since defence agents were banned in 1989;
- (b) if so, what is the outcome of the CBI inquiry so far;
- (c) what action Government have taken on the findings of the enquiry; and
- (d) what precautionary measures Government proposed to take to avoid irregularities in the defence deals in future?

THE MINISTER OF DEFENCE (SHRI JASWANT SINGH): (a) to (d) The Central Bureau of Investigation (CBI) is not probing/enquiring into the 380 odd defence deals, relating to a period after 1989, when the defence agents were banned. The CBI, however, has enquired/is enquiring/investigating into the following cases and status, whereof, is indicated hereunder:

Sl. No.	Details of the case	Status
(1)	(2)	(3)
1.	Procurement of 36 nos. of Hand Held Direction Finder (HHDF) from M/s. Taiyo Musen Co. Ltd. Japan;	The alleged irregularities in the procurement were not found substantiated.
2.	Contract with M/s. NASCHEM, South Africa for supply of 155 mm Smoke Ammunition;	The CBI is verifying the allegation made in the complaint.

(1)	(2)	(3)
3.	Import of ammunition from M/s. Pitcare, Hongkong;	A preliminary inquiry by the CBI is in progress.
4.	Contract concluded with M/s. Bofors, Sweden for procurement of 155 mm FH77B Gun System, ammunition and associated items;	The CBI has filed charge sheet and supplementary charge sheet against the accused persons. The CBI is continuing investigation.
5.	Procurement of Weapons Locating Radar;	The CBI's report has been sent to Central Vigilance Commission (CVC) for advice.
6.	Irregular procurement of 'crucibles' in the Eastern Naval Command;	The CBI is progressing the case in the designated court at Vishakapatnam.
7.	Irregularities in the procurement of developed items in the Eastern Naval Command;	No report has been submitted by the CBI, so far.
8.	Inquiry into the circumstances under which delivery period extension for procurement through Ship Chandlier were given by material organisation, Vishakapatnam from December 1994 onward.	The CBI inquiry is in progress.
9.	Case of local purchase at NSD, Port Blair in the Eastern Naval Command.	The CBI inquiry is in progress.

As a step towards avoiding irregularities in Defence Deals in future, the Government have issued orders, in consultation with Central Vigilance Commission (CVC) and Comptroller and Auditor General of India (C&AG) for mandatory and time-bound scrutiny of all major procurements/purchase decisions, involving cost of above Rs. 75 Crores, by the C&AG and where necessary by the CVC.

Underwater retrieval device

**2718. SHRI SOLIPETA RAMACHANDRA REDDY:
DR. ALLADI P. RAJKUMAR:**

Will the Minister of DEFENCE be pleased to state:

(a) whether Government's attention has been drawn to a news-item in the Indian Express dated the 16th December, 2000 wherein it